

Message Text

UNCLASSIFIED

PAGE 01 EC BRU 02488 201709Z

10

ACTION EUR-12

INFO OCT-01 EA-10 ISO-00 AID-05 CEA-01 CIAE-00 COME-00

EB-07 FRB-01 INR-07 IO-10 NEA-09 NSAE-00 OPIC-06

SP-02 TRSE-00 CIEP-02 LAB-04 SIL-01 OMB-01 OES-05

FEA-01 INT-05 /090 W

----- 019608

R 201603Z MAY 75

FM USMISSION EC BRUSSELS

TO ERDA GERMANTOWN

INFO SECSTATE WASHDC 8507

AMEMBASSY PARIS

AMEMBASSY TOKYO

IAEA VIENNA 1661

UNCLAS EC BRUSSELS 02488

ERDA PASS TO A.S. FRIEDMAN, DIP

E.O. 11652: N/A

TAGS: TECH

SUBJECT: CHEMICAL REPROCESSING OF MTR FUEL

REF: EC BRUSSELS 1652

1. ERDA/BRUSSELS MET TODAY WITH MR. GARET AND MR. LENAIL OF CEA TO DISCUSS CEA INTEREST IN CONTRACTING WITH ERDA FOR REPROCESSING OF MTR FUEL. QUESTIONS BELOW WERE RAISED BY CUSTOMER. WOULD APPRECIATE ANSWERS AT EARLY DATE.

A. IS ERDA IN POSITION TO REPROCESS ABOUT TWO TONS PER YEAR (TOTAL URANIUM PLUS ALUMINUM) OF MTR FUEL FROM FRENCH REACTORS?

B. CAN ERDA HANDLE UP TO 5-6 TONS PER YEAR OF THIS TYPE FUEL AND IF ANSWER POSITIVE, WOULD ERDA PERMIT FRENCH CEA TO ACCEPT FUEL FROM OTHER EUROPEAN CUSTOMERS AND COMBINE WITH MATERIAL FROM FRENCH REACTORS?

C. WHAT IS THE MINIMUM AND MAXIMUM DURATION OF CONTRACT ERDA PREPARED TO SIGN WITH CEA? IN THIS CONNECTION, WHAT IS BASIS

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 EC BRU 02488 201709Z

FOR DECEMBER 1, 1977, CUT OFF DATE IN ARTICLE XIII (TERM OF CONTRACT) OF DRAFT CONTRACT?

COMMENT: CEA DESIRES AN OPEN-ENDED CONTRACT WITH TERMINATION BY EITHER PARTY ON MUTUALLY AGREED NOTICE PERIOD, OR A 5- YEAR CONTRACT WITH THE SAME OR AN APPROPRIATE TERMINATION NOTICE BY EITHER PARTY.

D. WOULD ARTICLE XXIII (COVENANT AGAINST CONTINGENT FEES) OF THE DRAFT CONTRACT APPLY TO CEA IF THEY COLLECT FUEL FROM OTHER EUROPEAN CUSTOMERS AND ARRANGE FOR ITS PROCESSING ALONG WITH FRENCH FUEL UNDER A SINGLE CONTRACT WITH ERDA?

E. ARTICLE XXVI (PROCESSING COMBINATIONS) OF DRAFT CONTRACT IN ERDA/BRUSSELS DILE WAS DIFFERENT FROM SAME ARTICLE IN DRAFT CONTRACT IN POSSESSION OF CEA. THE CEA VERSION INCLUDED REFERENCE TO COMBINING FOREIGN CUSTOMERS MATERIAL WITH LICENSEES. REQUEST CLARIFICATION OF DIFFERENCE BETWEEN TWO DRAFT CONTRACTS. ALSO, CEA QUERIED WHETHER THIS ARTICLE CAN BE MODIFIED TO PERMIT COMBINING ORDERS FROM TWO FOREIGN CUSTOMERS AS NOTED IN B ABOVE.

F. WILL FINAL CONTRACT INCLUDE COMMITMENT BY ERDA FOR SPECIFIC TURN-AROUND TIME FOR RETURN OF UF-6 TO CUSTOMER?

COMMENT: CEA HAS IN THE PAST ASSURED ITS CUSTOMERS RETURN OF UF-6 WITHIN 8 MONTHS AFTER DELIVERY OF FUEL AND IS LOOKING FOR ANSWER TO WHAT ERDA REPROCESSING WOULD OFFER.

G. WHAT IS THE PRESENT PRICING FORMULA FOR MTR FUEL AND SPECIFICALLY, THE CHARGE INCLUDING ESCALATION TO A 1975 POINT OF REFERENCE? CEA SPECIFICALLY REQUESTED AN EXAMPLE CALCULATION FOR THEIR TWO TONS PER YEAR OF FUEL USING 1975 DATA AND ARTICLE XI OF THE DRAFT CONTRACT. IF ANOTHER PRICING FORMULA IS NOW USED REQUEST SAMPLE CALCULATION. ARE ANY DIFFERENCES ANTICIPATED IF ERDA APPROVES CEA COMBINING OTHER EUROPEAN REACTOR FUEL WITH MATERIAL FROM FRENCH REACTORS?

H. IS THERE A SPECIAL CHARGE FOR REMOVAL OF STAINLESS STEEL OR NICKLE ATTACHMENTS USED IN CERTAIN MTR FUEL FOR CONVENIENCE OF HANDLING IN A REACTOR?

COMMENT: CEA PRACTICE HAS BEEN TO CHARGE FOR TOTAL WEIGHT OF ELEMENT, AND REMOVAL OF STAINLESS STEEL OR NICKLE ATTACHMENTS WITHOUT SPECIAL CHARGE. WHILE EXACT NUMBER HAVING SPECIAL ATTACHMENTS NOT IDENTIFIED, A ROUGH ESTIMATE IS 25 PERCENT OF FRENCH FUEL INCLUDE STEEL HANDLING PINS.

2. IN GENERAL CONVERSATION FOLLOWING INQUIRIES ABOUT CONTRACT UNCLASSIFIED

UNCLASSIFIED

PAGE 03 EC BRU 02488 201709Z

TERMS, CEA VISITORS INDICATED PARTIAL BASIS FOR THEIR INITIATIVE IN ARRANGING FOR REPROCESSING OF EUROPEAN MTR FUEL WAS RELATED TO CEA HAVING INFLUENCED TERMINATION OF EUROCHEMIC OPERATIONS.

COMMENT: (THIS SOUNDS SUSPICIOUS BUT IS THEIR STORY.)

AT THE SAME TIME THEY STATE FRENCH REPROCESSING CAPACITY AT MARCOULE AND LA HAGUE WILL BE FULLY UTILIZED BY THEIR OWN GAS-

COLLED REACTOR FUEL AND COMMITMENTS OF CAPACITY TO UNITED FUEL REPROCESSES FOR LWR FUEL. WHILE CEA HAS CONTRACTS FOR REPROCESSING JAPANESE MTR FUEL, THEY ANTICIPATE JAPAN WOULD CONTRACT DIRECTLY WITH ERDA RATHER THAN GO THROUGH CEA ALONG WITH OTHER EUROPEAN CUSTOMERS.

3. CEA WAS ASKED TO CONFIRM TO ERDA/BRUSSELS THEIR INTERESTS IN HAVING MTR FUEL REPROCESSED BY ERDA. IF ACCEPTABLE ARRANGEMENTS ARE MADE, CEA IS PREPARED TO FURNISH ERDA WITH ALL THE REQUIRED DETAILED DRAWINGS ABOUT FUEL ELEMENTS TO BE PROCESSED.

4. ERDA/BRUSSELS QUERIED CEA WHETHER THEY WOULD REQUIRE ACCOUNTABILITY FOR MATERIAL FROM EACH COUNTRIES' REACTOR OR WHETHER IT COULD ALL BE PROCESSED TOGETHER DEPENDING ON THE OPTIMUM BATCH SIZE. THE QUESTION COULD NOT BE ANSWERED AND MAY DEPEND ON A COMBINATION OF ANY ADDITIONAL COST THAT MIGHT BE INVOLVED AND ANY SPECIAL SAFEGUARDS REQUIREMENTS BY ERDA, IAEA, OR THE OWNER OF THE FUEL.

5. SUGGEST WE PROVIDE EARLY INDICATION OF GENERAL TERMS FOR REPROCESSING MTR FUEL BY ERDA AND ANSWER DETAILED QUESTIONS AS THEY CAN BE DEVELOPED. SINCE BARANOWSKIE DUE TO BE IN PARIS FOR EUROPEAN NUCLEAR CONFERENCE DURING WEEK OF APRIL 21, IT MIGHT BE POSSIBLE TO ARRANGE FURTHER DISCUSSIONS ON REPROCESSING MTR FUEL AT THAT TIME. IF SUCH ARRANGEMENTS ARE DESIRED PLEASE ADVISE ERDA/BRUSSELS. GREENWALD

UNCLASSIFIED

NNN

*** Current Handling Restrictions *** n/a

*** Current Classification *** UNCLASSIFIED

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CONTRACTS, FISSIONABLE MATERIALS TRANSFER, FUEL OIL, NUCLEAR FUELS
Control Number: n/a
Copy: SINGLE
Draft Date: 20 MAR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975ECBRU02488
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Film Number: D750098-0850
From: EC BRUSSELS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750395/aaaaglpq.tel
Line Count: 145
Locator: TEXT ON MICROFILM, TEXT ON-LINE
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 75 EC BRUSSELS 1652
Review Action: RELEASED, APPROVED
Review Authority: hartledg
Review Comment: n/a
Review Content Flags:
Review Date: 28 MAR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <28 MAR 2003 by HageRS>; APPROVED <26 FEB 2004 by hartledg>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> mcm 971001
Subject: CHEMICAL REPROCESSING OF MTR FUEL
TAGS: TECH, ERDA, TECH
To: ERDA
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006